small proportion were being moved by the Railways. The movement by the Railways has been discontinued since April, 1983, because t he rates offered by 1 hem for 1989-90 were not cheaper than those for road transport.

(b) A statement indicating the comparative rates of transportation offered by the Railways and the private carriers is laid on the Table of the House *[See* Appendix CLI, Annexure, No. 144].

(c) The considerations which weighed with Maruti Udyog Limited to shift to road transport were the cost of transportation including the inventory cost during transit time.

Transportation rates were initio ally fixed on the. basis of a tender and transporters were appointed on the basis of applications received. Thereafter, Maruti dealers and some exservicemen have also taken up transportation of vehicles.

Manufacture of Montana Car by M/s. Sipani Automobiles Limited

*297. SHRI D. B. CHANDRE GOWDA: Will the Minister of INDUSTRY be pleased to state:

(a) whether Government have granted road worthiness certificate to M/s. Sipani Automobiles Limited for their diesel Montana car;

(b) if so, when was this certificate issued ;

(c) whether Government, have also granted licence to the company for manufacture of these cars; and

(d) if so, by when the cars are likely to be made available in the market ?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO):(a) and (b) M/s. Sipani Automobiles Ltd, have been issued a road-wortbiriess certificate for Montana 4D diesel car by Vehicles Research and Development Establishment, Ahmednagar, in March, 1989.

(c) M/s. Sipani Automobiles Limited holds a carry-on-business (COB) licence to manufacture passenger cars.

(d) The company has reported that the delivery of the diesel Montana cars is expected to commence in October, 1989.

Shortage of Raw Materials being % faced by 'Agarbati Industry'

298. SHRI ISH DUTT YADAV | SHRI BAIKUNTHA NATH SAHU:

Will the Minister of INDUSTRY be pleased to state:

(a) whether the 'Agarbati' industry is facing severe shortage of raw materials;

(b) whether it is a fact that production and export of 'Agarbat will face serious set back if the raw material supply position does not ease in the near future; and

(c) if so, what steps are being taken for the supply of adequate quantity of raw materials to save the 'Agarbati' industry?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): (a) to (c) No, Sir. A number of steps have -been taken recently to ensure supply of adequate quantity of raw materials to 'Agarbathi' Industry. These include reduction in the impo rt duty on 'Jigat' (Bark of Machilus Makarantha), allowing Inter-State • Movement of raw materials and promotion of plantation of 'Jigat' yield - ing trees in non-forest areas, as a long term solution.